

Virginia Agribusiness Council - Suggested Bay TMDL Talking Points

Environmental Progress By Agribusiness

- We (farmers, foresters, green industry, agribusiness suppliers, processors, etc.) are committed to environmental stewardship. Clean water and good soil are fundamental to our businesses. We have been doing our part- and will continue to do so in order to help create a healthy Chesapeake Bay and local waters. Specifically:
 - Agriculture has met 52% of reduction goals for Nitrogen and 50% for Phosphorus and Sediment—all through a voluntary, incentive based program in Virginia. This doesn't even count the actions farmers are taking on their own without funding.
 - According to the Virginia Department of Forestry, 83% of logging jobs use the proper combination of best management practices
 - University studies have shown that turfgrass, when maintained properly, serves as an excellent filter for stormwater runoff, can be a carbon sink, and captures sediment.
- We have been willing partners in making environmental progress—and have proven it with our actions, time and time again.
 - Virginia has put over \$80 million into Agricultural Best Management Practice (Ag BMP) Cost-Share program since 2006. Farmers have matched this spending with \$0.60 of every dollar, and are lined up at the door to do more. Annually, willing participants are turned away due to lack of adequate funds at the state and federal level.
 - Even without cost-share funding, agriculture is taking action. Virginia farmers fence cattle from streams, practice conservation tillage, use proper nutrient management practices, and install buffers along waterways- without federal or state funds- and without being “counted” by EPA.
 - Without regulatory pressure, the turfgrass/green industry requested that the state create an Urban Nutrient Management Program so that their professionals can have plans specifically tailored for their businesses.
 - Lawn care operators have supported and signed Voluntary Water Quality Agreements with the state. Major home lawn fertilizer companies have signed agreements to reduce and/or eliminate phosphorus from maintenance fertilizers by 2012.
 - Virginia's golf industry is developing a Best Management Handbook covering water quality, pesticide use, and water supply issues for their industry to implement.

Bay Model Accuracy- Needs Revisions Prior to Costly EPA Mandates

- The Chesapeake Bay Model, the basis for nutrient and sediment reductions required by EPA, has been shown to have extensive flaws in the data it utilizes. EPA even acknowledges this fact. EPA should not move ahead with costly mandates based upon flawed modeling and data. Examples:
 - In 2010, Virginia Cooperative Extension conducted a field observation study in the Coastal Plain. They found that 90% of crop acres were planted in no-till. Only 15% of the acres are enrolled in DCR's no-till program.
 - Is the model fully accounting for practices that are already mandated by state permitting programs? (ex: mortality control for poultry facilities)
 - The model is currently “throwing out” actual, ground-truthed data from Virginia because it does not meet the “modeled” land use data. This is unfair when the practices are meeting all requirements set forth by EPA.
- Federal actions must be based on accurate information. No additional regulations or penalties should be put on states or industries until the science and data have been proven.

Cost of Compliance and Current Economy

- The Bay TMDL, which requires Virginia to develop a Watershed Implementation Plan (WIP), will have a high cost for compliance for all sectors. While we agree that there is a benefit of clean waters within the Bay and local watersheds, the economic costs for compliance must be balanced, and water quality programs cannot be developed in a vacuum without considering economic impacts to the economy.
- Before moving forward with a finalized Bay TMDL, EPA must conduct a non-biased economic impact analysis. Experts from land-grant universities from across the watershed could be called upon to evaluate the actual costs of meeting water quality standards for businesses, citizens, localities, states, and the federal government.
- Agriculture has the benefit of estimating some expenses based on existing data on cost of implementing AgBMPs through current state and federal programs.
 - Virginia estimates that just one practice (cattle fencing) could cost more than \$800 million to implement. Fencing cattle from streams, putting in crossings, providing alternative watering, etc. costs on average \$30,000 for a Virginia cattle farmer.
 - Virginia's Natural Resources Commitment Fund says Ag BMP cost-share funds will need to be \$63.2 million annually from 2025 in order to get 60% NPS reduction goals from agriculture. This is only cost-share funding from the state- doesn't account for federal government's traditional share of funding or the money that comes from farmers.
 - Current funding estimates are just based upon the cost of installing the practice, they do not account for costs like loss of productive land, replacing practices when weather damages occur, fluctuations in markets, etc.
- Economic conditions (lack of profits, increased input costs, additional credit not an option) means that extra money to meet regulations is non-existent.
- Due to long-term devastating economic conditions for agriculture (like other sectors), federal backstops alone (mandatory permitting of small dairies, requiring some ag processing plants to do more) will be enough to drive some farmers out of business.
- EPA's federal backstops requiring more unregulated lands to meet MS-4 (urban lands) requirements may cause significant economic hardship for urban landowners, including the green and turfgrass industries.
- Cost share funding will be critical to meeting demands of EPA. Agriculture, lawn care, turfgrass, forestry, have all seen depressed profits, just as the State and local governments have been facing historic deficits. Individual businesses, farmers, and the State cannot meet this unfunded mandate from EPA without significant federal funding.

No to Federal Backstops

- Virginia's Watershed Implementation Plan (WIP) reflects some practices for both agriculture and turfgrass that we strongly believe, given proper implementation and funding, will result in significant water quality improvements.
 - Agricultural Resource Management or Conservation Plans to meet the individual conservation needs of each farm will result in progress without mandating a "one-size-fits-all approach".
 - We support working with the turfgrass/green industry to make progress through utilizing nutrient management plans, amending the content of certain fertilizer products, and educating homeowners, while carefully balancing the costs and unintended consequences of under-managed or under-fertilized turfgrass.
- EPA does not need to substitute its version of heavy-handed, government regulation if the state chooses to build off of the incentive-based practices and programs that have resulted in progress over the decades.
- EPA's "backstop" measures put in the TMDL will certainly result in more costs for permitted facilities, such as large animal feeding operations, processing facilities, and urban landscapes.

- We question the “reasonable assurance” offered by EPA’s backstops, as current regulatory authority and details on new requirements are both unclear.
- Instead of forcing states to regulate their way out of “backstops,” we urge EPA to allow Virginia to implement its own plans for achieving clean water goals—without costly, burdensome regulations.

West Virginia Department of Agriculture & West Virginia Conservation Agency - Suggested Bay TMDL Talking Points

(The general information posted by the Virginia Agribusiness Council also applies to West Virginia.)

- WV boasts over 20 years of successful implementation with voluntary programs being delivered in cooperation with a strong educational message. This is reflected with the success of the Potomac Headwaters Land Treatment Program (PL534) which was a partnership between federal, state and local governments resulting in over \$14 million in water quality improvements practices being placed on over 300 farms in the headwater West Virginia counties of Pendleton, Grant, Hardy, Hampshire and Mineral. Voluntary participation has resulted in the reduction of in-stream measured fecal bacteria and nitrates resulting in the de-listing of impaired streams under the Clean Water Act- *Reference: Diamond of the East Potomac Headwaters- USDA NRCS*
- WV farmland is being alarmingly lost to urbanization in the Eastern Panhandle. Based upon WV’s Phase 1 WIP, the land area for agriculture production in WV has been reduced by thousands of acres between 1997 and 2007.
- There is concern within WV that 8 counties out of 55 are being pressed to spend additional funds to upgrade their operations , potentially putting them at a marketing disadvantage further reducing profit margins.
- West Virginia is seeing increased funding through the Farm Bill but little augmentation of technical staff to deliver the programs.
- The Bay states are being unjustly challenged to identify and correct Bay model deficiencies. WV has very little full-time staff dedicated to the Bay Program. This information should be scientifically “truthed” before being added.
- Agricultural deficiencies identified by WV have included, but not limited to : inaccuracies in land use, nutrient management crediting, phytase reductions, etc.
- WV challenges:
 - The complexity of getting new BMPs accepted by the Bay Model for nutrient and sediment credit.
 - Also, riparian buffers should be credited at a reduced efficiency if they do not meet the Bay width requirements.
 - The constant reduction and recalculation of BMP efficiencies- always a moving target making these practices a hard sell to agricultural producers.
 - The unrealistic timeline being handed to the State for Watershed Plan Implementation (WIP).
- It is known that WV farmers continue to, and have historically installed BMPs without cost-share assistance. The State will be working over the next year to begin capturing these practices to gain credit. Farmers are encouraged to participate in this endeavor.

- We adamantly agree that the threat of the heavy-handed Backstop will not be conducive to this process.

FY10 Farm Bill Programs

- Obligated \$273,625 in 21 AMA contracts on 819 acres; paid \$128,801 in AMA funds; average contract value \$13,030
- Obligated \$2,110,080 in 55 CBWI contracts on 4,311 acres; paid \$335,957 in CBWI funds; average contract value \$38,365
- Obligated \$753,520 in 178 CSP contracts on 49,166 acres; average contract value \$4,233
- Obligated \$5,772,823 in 287 EQIP contracts on 23,114 acres; paid \$1,050,556 in EQIP funds; average contract value \$20,114
- Obligated \$858,100 in 75 contracts on 9,968 acres; paid \$103,595 in WHIP funds; average contract value \$11,441